

**MAYOR'S ANNUAL REPORT TO THE BELLA VISTA CITY COUNCIL**  
**FOR THE YEAR 2019 AND LOOKING FORWARD TO 2020**  
**AS REQUIRED BY STATE STATUTE 14-58-302**

**February 24, 2020**

We ended 2019 with an unrestricted reserve balance of \$7.8M, which is \$4M greater than our budgeted expected ending balance of \$3.8M. This ending balance of \$7.8M equals 50% of our annual unrestricted revenue of \$15.8M.

Total 2019 General Fund revenues (restricted and unrestricted) of \$20.8M exceeded 2018 revenues by \$2.7M, \$2.2M of which was unexpected funds from the Walton Family Foundation for funding for the Mercy Way bridge expansion project and the Blowing Springs extension of the Razorback Greenway. Not counting the unexpected funds from the Walton Family Foundation, our 2019 revenues exceeded 2018 revenues by \$500K.

Total 2019 General Fund revenues exceeded the 2019 budget by \$700K. The majority of this surplus is in sales and property tax revenue due to the approval of the internet sales tax and catch up in the lag between the issuance of a Certificate of occupancy and the collection of property tax.

Street Fund revenues for 2019 fell short of 2018 revenues by \$100K, but exceeded the 2019 budget by \$89K. The Street Department received \$151K in past due FEMA reimbursements in 2018, which contributed to the revenue shortfall from 2018.

General Fund 2019 operating, capital improvement, and debt service expenditures of \$17.7M exceeded 2018 expenditures by \$3.0M, but came in under budget by \$4.2M. Unfinished capital projects, such as postponement of street repaving due to weather, trails and deferral of Little Sugar Creek bridge replacement on Lancashire to 2020, contributed to the majority of this surplus.

Street Fund 2019 operating expenditures of \$3.4M were the same as 2018 expenditures and came in under budget by \$283K.

In 2019 we celebrated the 50<sup>th</sup> anniversary of the Bella Vista Fire Department. With the guidance of our Communications Director and Fire Chief, the city applied for and won an honorable mention award for the Fire Department's Community Paramedic program as a 2019 Arkansas Trendsetter City in the Arkansas Business publication's annual competition. This award was presented at the recent winter conference of the Arkansas Municipal League. Our EMS/Paramedics program received Gold Mission Lifeline recognition from the American Heart and Stroke Association. Mission Lifeline is a national initiative to advance the system of care for patients with acute, high-risk time-sensitive and/or quality of life-threatening diseases such as STEMI heart attack, stroke and out of hospital cardiac arrest. Our Fire Department was the first in the nation to deploy cerebral oximetry monitors in two of our ambulances. This technology allows paramedics to monitor blood flow to the brain in real time. Over time we intend to deploy these units throughout our entire fleet of six ambulances. The city acquired three acres of land at the corner of Glasgow and Edinburgh where our replacement fire station number three will reside.

In spring of 2019 we had our first financial audit conducted by a professional outside CPA audit firm, Landmark, rather than the State Audit team. This was in preparation for the bond issue in the spring of 2020. We received a clean bill of health! We continue to mechanize our financial processes reducing paper and time required for manual input. Over the years we have reduced payroll preparation from two days to one hour and reduced head count in the accounting department.

Our Human Resources team successfully reduced our health benefits increase from a projected 16%-18% to less than 9%. There were no increases for our other offerings, such as dental. We reduced the number of insurance offerings and simplified the discount rates, making selection of benefits much easier than prior years. We also simplified the annual employee review process.

Our Police Department added our second K9 unit through generous donations from our community, which are greatly appreciated! We have outfitted all patrol units with mobile computers. This will free up air time as well as increase officer efficiency and effectiveness, especially the ability to spend more time in the field protecting our community. A needs assessment for a new Police Station was completed by architectural firm Hight-Jackson and is being used to educate our residents prior to the bond election during the Primary on March 3.

On the IT side of the house, we continue to monitor and strengthen our network, particularly in this day in age where ransomware attacks on both the private and public sector IT infrastructure are on the rise. We have installed dual internet at all facilities (AT&T and Cox). If one carrier is down, then the system switches to the other carrier. If both are operational we benefit from increased bandwidth. The IT team has formed a multi-department technology committee called the Innovation Team to preview ideas and discuss departmental IT needs.

Our Street Department oversaw the resurfacing of 41 miles of city streets. This is a new annual record! On August 26 a straight line wind event blew through our city bringing down over three hundred trees on our roads, most ensnared in Carroll Electric lines. Streets, Fire and Police immediately responded to clear the main arteries. Over the ensuing three days, Streets worked closely with Carroll Electric to clear and open all remaining streets. The city subsequently hosted a tree and brush curb pickup campaign. All the debris was collected by city workers and brought to a central location, where it was ground up into mulch by a contractor and hauled away. By the end of October the job was completed. This was a huge undertaking!

Our Legal Department had a very busy year. I am pleased to report the transition from Bentonville District Court to Bella Vista District Court was completed in 2019. This was a two year process. In 2018 our case mix was 36% Bentonville and 64% Bella Vista. In 2019 the Bentonville component decreased to 6% of our case load while the Bella Vista load was 94 %. Our team handled 141 more cases in 2019 than the previous year. This was an increase of 21%!

Our Library continues to flourish. More and more subscribers of all ages are using the facility. The expansion could not have occurred at a better time. Our Library Team has worked closely with the Library Foundation on the design and construction of the new facility. Our current Library Director joined us at the end of 2018. She has spent the year not only focused on the expansion but the development of her direct reports and the volunteers into a cohesive group to which she is able to delegate more responsibility and at the same time encourage innovation. It's working. The Library ended the 2019 fiscal year under budget!

Communication with our residents continues to be crucial using all media that is available to us, namely, print, electronic and social media. Our Communications Director provides continuous and timely information to our residents and other various agencies for community events such as the annual city wide Garage Sale, the 50<sup>th</sup> anniversary celebration of the Fire Department and unexpected events. Immediately following the straight line wind storm in August the Director created and executed a communications plan for storm cleanup, including working with the Streets Department to disseminate regular progress updates. Similarly she works closely with Crossland Heavy Construction and NWA Trailblazers to clearly and proactively communicate road closures, delays and other issues revolving around construction of trail tunnels on the new Little Sugar Trails

The trails and the future expansion of the Razorback Greenway continue to contribute to our community, not only in terms of growth in accommodation and restaurant tax receipts, but also in positioning Bella Vista as a great place to live and play. In 2019 our new home residential permits totaled 278 compared with 262 in 2018. To put it into perspective, at the end of 2013 the city issued 35 new permits! For the first time the 2019 permits for the west side slightly exceeded the permits of the east side – 107 east and 109 west. In past years the permits on the east side were much more in number. The January 2019 permits show no sign of retreating, with 32 issued. This is a new record for the month of January since the Recession.

#### What is on the horizon for 2020?

- Assuming the bond issue is approved by our residents on March 3<sup>rd</sup>, we will begin working on all three police and fire projects. The first step will be the hiring of construction managers and architects. We will then move into architectural design. We should have finalized plans for the public safety building and replacement Fire Station #3 by the end of the year or the beginning of 2021.
- The Police Department will add two detectives to our Criminal Investigation Department bringing the head count for this team to eight – a Lieutenant, Administrative Assistant, five detectives (a Sergeant, Narcotics and three detectives) and an Evidence Custodian.
- Our Community Development Services team continues to work with Hull Dermatology contractors to complete the Sunset Dr. retention wall and repair the road.
- Community Development will also add a new Code Enforcement officer to the team in Q1 2020.
- The 3<sup>rd</sup> annual 6 in 60 Cleanup of Highway 71 is set for March 28 courtesy of Positively Bella Vista.
- Our annual City Wide Garage Sale is set for April 24 & 25 thanks to the efforts of our Communications Director.
- The opening of new retail space, Shoppes on the Trail on east side Hwy 71 between Crye-Leike and Walgreens
- Conclude the Comprehensive Land Use Plan 2040.
- The 2020 Census begins on April 1. Having all residents counted is of paramount importance to ensure that the city receives its fair share of grants and turn back funds to maintain our infrastructure, especially streets.

- We plan to resurface parts of Highland Blvd., which the contractor was unable to complete in 2019 due to weather.
- We look forward to the grand opening of the Library extension and the Little Sugar soft surface trails in the first quarter.
- We plan to remount another ambulance to ensure that our equipment is up-to-date to provide the very best of service to our residents.
- A full review of our Employee Handbook will be completed in 2020 for approval by City Council.

As always, on behalf of all members of City Council, I extend our thanks to the many volunteers in our community who tirelessly help with the Animal Shelter, trail maintenance, the recycling center, the museum, our churches, community groups and service clubs.

**Truly, without question, BELLA VISTA is indeed *"A PLACE TO CALL HOME!"***